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FISCAL IMPACT REPORT



SPONSOR: Campos DATE TYPED: 1/29/02 HB _____

SHORT TITLE: Cabinet Level Department for Medicaid SB SJM 21

ANALYST: Dunbar

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY02	FY03	FY02	FY03		
			NFI		

(Parenthesis () Indicate Expenditure Decreases)

Relates HJM 8 and SJM 5

SOURCES OF INFORMATION

Responses Received

Health Policy Commission (HPC)

SUMMARY

Synopsis of Bill

Senate Joint Memorial 21 directs the appropriate legislative committees to study and assess the creation of a Cabinet Level Department to administer the Medicaid Program. A report is to be submitted to the Legislature by October 31, 2002.

Significant Issues

Memorial highlights indicate that:

- Medicaid is in fiscal crisis, in part due to rising prices and reduced revenues.
- In New Mexico, there are over 550,000 people eligible for Medicaid.
- New Mexico, as well as other Legislatures in the nation, must re-evaluate benefits and payments for health care providers.
- Spending has increased 11% in 2001, and prescriptive drug spending has increased 20% per year.

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- Interim Legislative Committees have expressed concerns about the State's financial accountability and statutory and regulatory compliance with state and federal health programs.

RELATIONSHIP

HJM 8 and SJM 5, request studies to assess the need to reorganize multiple functions within State agencies.

OTHER SUBSTANTIVE ISSUES

There are multiple health related programs receiving State and Federal funds that may need to be included in the study to provide a more comprehensive approach to the provision of publicly-supported health care.

BD/ar